Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

1.9
Ec752F
W.3:
Copy 2

STA/STA

.ed States
Department of
Agriculture

Economic
Research
Service

WS-261

July 1982

Wheat

OUTLOOK & SITUATION

NOTICE

The Economic Research Service has discontinued free general distribution of publications, including Outlook and Situation reports. Funds must be redirected to maintain basic research and analysis programs. Reports are available on a paid subscription basis through the Superintendent of Documents, Government Printing Office, Washington, D.C.

Table 1--Wheat: Supply, disappearance, area and prices, marketing years 1979-82*

Item	1979/80	1980/81	1981/82 (prel.)	1982/83 (proj.)
		Million bushels		
Supply				
Beginning stocks, June 1	924	902	989	1,159
Production	2,134	2,374	2,793	2,710 ± 145
Imports 1/	2	3	3	2
Total	3,060	3,279	3,785	3,871 ± 145
Domestic disappearance				
Food	596	611	611	615 ± 5
Seed	101	114	112	110 ± 5
Feed 2/	86	55	130	125 ± 50
Total	783	780	853	850 ± 55
Exports 1/	1,375	1,510	1,773	1,775 ± 150
Total disappearance	2,158	2,290	2,626	2,625 ± 175
Ending stocks, May 31	902	989	1,159	1,246 ± 175
		Million acres		
Area				
Planted	71.4	80.6	88.9	
Harvested	62.5	71.0	80.9	
Set-aside and diverted	8.2	--	--	
Allotment/Nat'l program	70.1	75.0	84.5	
		Bushels per acre		
Yield per harvested acre	34.2	33.4	34.5	
		Dollars per bushel		
Prices				
Received by farmers	3.78	3.91	3.65	3.60-3.80
Loan rate	2.50	3.00	3.20	3.55
Target rate	3.40	3.63	3.81	4.05

1/ Imports and exports include flour and other products expressed in wheat equivalent.

2/ Residual, approximates feed use and includes negligible quantities used for alcoholic beverages.

* Totals may not add due to rounding.

In This Issue

	Page
Outlook for 1982/83	4
World Wheat Outlook for 1982/83	6
Wheat Outlook by Class	7
Wrap-up of 1981/82	9
Estimating the USSR Grain Crop	9
Index of Tables	23

The Wheat Situation is published in February, May, August, and November.

Approved by
The World Agricultural
Outlook Board
and Summary released
July 27, 1982

Contributors
(202) 447-8444
Allen Schienbein-Analyst
Alberta Smith-Statistics
National Economics Division
Economic Research Service
U.S. Department of Agriculture
Washington, D.C. 20250

Summary

LARGE CROP AND STRONG EXPORTS AHEAD;

The 1982/83 U.S. wheat marketing year will be shaped by a banner crop, record supplies, prospective strong exports, and continued relatively low prices.

As of mid-July, the U.S. wheat crop was projected at over 2.7 billion bushels, only 3 percent below 1981's record harvest. Indicated record Hard Red Winter production will more than offset an expected smaller Hard Red Spring crop, resulting in the largest output of bread wheats in any one harvest. Unfavorable weather reduced harvest prospects for Soft Red Winter wheat and cut yield prospects in Soft White wheat areas, pointing to a cutback in 1982 pastry wheat production. The 1982 pasta wheat (Durum) harvest may be about one-third lower than a year ago because of a sharp decline in planted acreage.

A near-record crop, combined with the largest carryover in 4 years, will push 1982/83 supplies to a new high—only 130 million bushels short of 4.0 billion. Even though this year's disappearance is projected to match last year's record level, stocks next June are expected to rise to 1.25 billion bushels. The 1982/83 world wheat production estimate has been reduced to 445 million tons, 2 percent below last year's record harvest because crop prospects have deteriorated in Australia and the USSR. Spurred by expanded utilization in many countries, imports (July-June, excluding intra-EC trade) may pass 100 million tons for the first time. Total use could slightly exceed production, causing a modest drawdown in global stocks.

For the United States, which will have large exportable supplies, exports in 1982/83 seem likely to match last season's 1.77 billion bushels. China is expected to increase imports and the Soviet Union may import near-record amounts. The two nations are the leading customers for U.S. wheat.

Given the supply outlook, farm prices for wheat are likely to average below the loan rate through harvest. Beginning-season prices were the lowest in 4 years, often 30 cents a bushel below last season's opening of $3.70. The 1982/83 season average price is projected to range from $3.60 to $3.80 a bushel compared with last year's $3.65.

In mid-July, USDA announced the wheat program for the 1983 crop. Many features of the 1982 program have been carried over, but the voluntary acreage reduction has been increased from 15 percent to 20. Another new feature is an advance deficiency payment. The advance will be one-half the estimated 1983-crop deficiency payment and will be paid when producers sign up for the program, as much as 16 months before the normal payment date. Since wheat prices this fall will probably be considerably below the 1983 target price of $4.30, the early announcement and the advance payment could raise grower participation significantly higher than for the 1982 program.

OUTLOOK FOR 1982/83

Bumper 1982 U.S. Harvest Could Be Second Largest

As a delayed harvest moves into full swing, the 1982 wheat crop is rated in fair to good condition. This suggests that 1982's total U.S. wheat production will again top 2 billion bushels and may fall only 3 percent below 1981's banner 2.8 billion. A prospective record Hard Red Winter wheat harvest will more than offset an expected smaller Hard Red Spring crop, resulting in the largest production of hard bread wheats in any one harvest. Above-normal winter damage and excessive spring rains reduced harvested acreage prospects for Soft Red Winter wheat, while a dry, hot spring in the Pacific Northwest cut yield prospects for Soft White wheat. As of mid-July, total 1982 production of the cookie, cracker, and pastry soft wheats is expected to be down 14 percent from the record 1981 output (table 2). After the record 1981 harvest of pasta wheat (Durum) caused drastically lower prices, producers slashed 1982 plantings over one-fourth. In addition, plant development is behind average in major Durum areas, so 1982's Durum production may decline about one-third from last season's record 186 million bushels.

Overall, wheat growers adjusted the seeding of their 1982 crop only slightly in response to indicated low prices and the Government's acreage reduction program (ARP). Winter wheat area was actually increased about 355,000 acres, establishing a new high of 66.3 million acres. Many growers had finished seeding before USDA announced intentions for the 15-percent ARP. Others lacked information regarding participation benefits because of delayed passage of the 1981 Agriculture and Food Act. In contrast, producers who planted Durum and other spring wheats had the time to make more informed decisions and proceeded to reduce seeded area 9 percent from a year ago. Nevertheless, total 1982 wheat planting of 87.2 million acres was only 1.7 million below the area that produced the bumper 1981 harvest.

Keys to 1982's final crop size are the harvested acreage and the yield per acre. Combines may move over 79.5 million acres, compared with last year's historic high of 81 million. Because of the larger area planted to winter wheat and producers' reluctance to plow up a prospective high-yielding crop to comply with the ARP, the total winter wheat area harvested is expected to about equal last season's record. However, field damage by severe spring and summer weather throughout the Southwestern Plains may lower the estimate. Harvested acreage of spring wheat will be down nearly 2 million acres because of the heavier response to the ARP.

Weather conditions reduced yields in some States and benefited others. As of July 1, yield for all winter wheat was forecast at 36.0 bushels per harvested acre, compared with 35.8 in 1981. Kansas yield bounced back from last year's freeze damage, increasing about 11 bushels. Wet conditions reduced the potential record yields of many Southeastern soft wheat States, and dry conditions hurt yield prospects in the Pacific Northwest. Overall, total 1982 harvested yield is not likely to exceed 1981's record 34.5 bushels.

Carryin Stocks Contribute to Record 1982/83 Supply

On June 1, wheat stocks in all positions topped 1 billion bushels for the first time in 4 years. The 1.159-billion-bushel carryin of old-crop wheat is up 17 percent from a year ago. However, because stocks of over 560 million bushels were in the farmer-owned reserve, and other inventory was owned by CCC, only one-third of June stocks were considered readily salable in the market. Farmers held half the June 1 carryin on their farms, in part reflecting the addition of around 200 million bushels of 1981-crop wheat to the grain reserve. Hard wheats made up most of the reserve stocks, with hard winter nearly half the total.

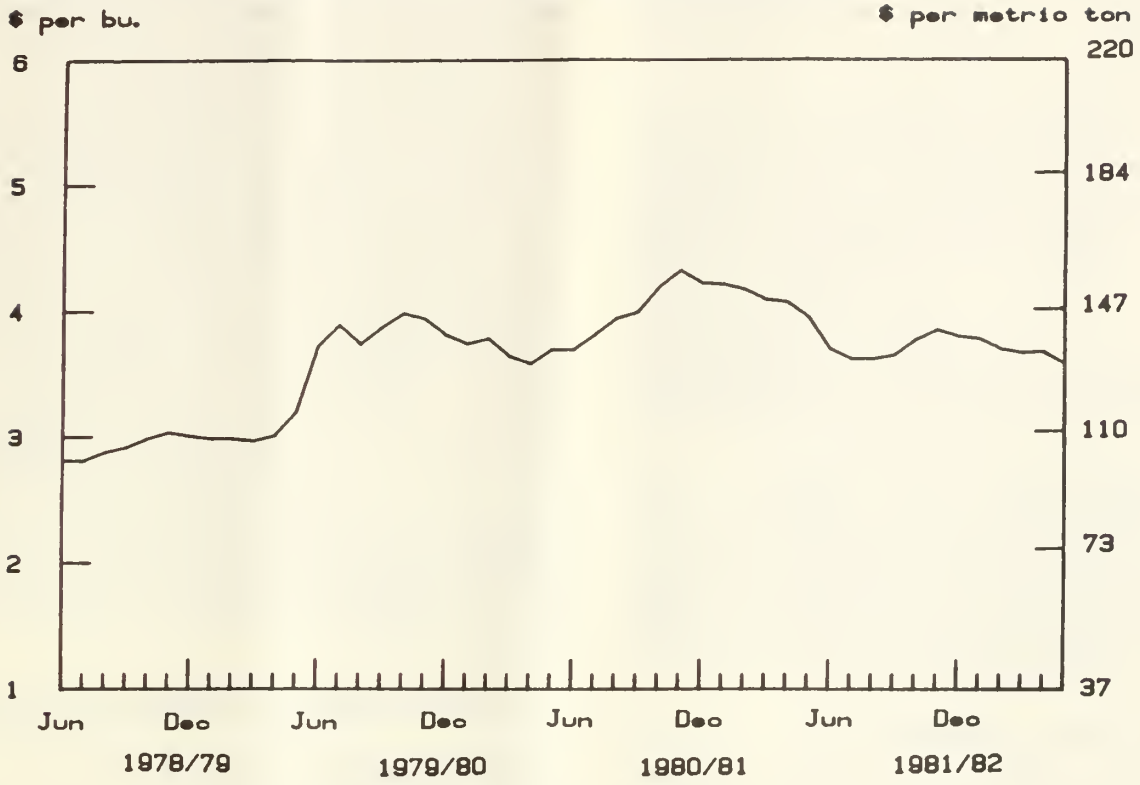
Carryin stocks plus the indicated near-record 1982 production will result in a total wheat supply for 1982/83 approaching 4 billion bushels—a new high. Total hard wheat supplies are projected to increase 7 percent from last season, while the soft wheat supply will be 9 percent lower.

Strong Export Season Expected To Continue

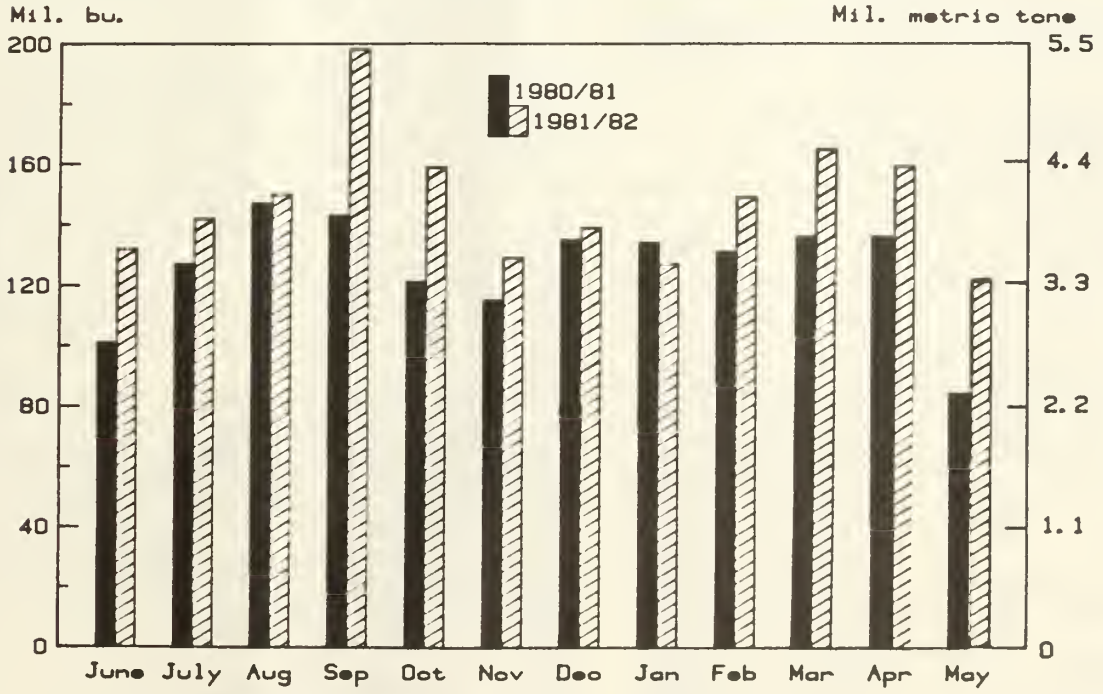
Despite this year's increased world wheat carryin, particularly in the major exporting nations, and expectations for a near-record 1982/83 world harvest, a very active trade year is likely. The United States must acquire a share of any projected increase in trade, despite expected stiff competition from other exporters, to reduce burdensome U.S. wheat supplies. Wheat import requirements of the USSR and China will be key factors because they are the two leading U.S. buyers. Although earlier projections of an improved wheat crop in the Soviet Union have been adjusted downward, how the Soviets' total imports are divided between wheat and coarse grains will still be important in 1982/83. With the fourth consecutive poor harvest in prospect, Soviet wheat imports are likely to remain near the record 1981/82 level of 19.5 million tons. Total Chinese wheat purchases from the world market are forecast to increase to a record 15 million tons because of lower production and increasing consumption requirements. Some additional sales by the United States are possible. Weather damage to India's 1982 crop increased the probability of continued importing; the U.S. was one of India's major suppliers last year. Important Latin American markets such as Mexico and Brazil may be weakened by improved production prospects. Overall, the strong U.S. dollar, high interest rates, and sagging economies may hold wheat imports below potential in many countries. On balance, projected U.S. wheat exports should about match last season's alltime high 1.77 billion bushels. Trade will continue to be sensitive to any significant increase in total world import demand and to crop problems in other exporting countries.

Mid-July export commitments (outstanding sales plus shipments) were running about 1 percent ahead of last

Wheat Prices Received by Farmers



U.S. Wheat Exports by Months, Marketing Years 1980/81 and 1981/82



Includes flour and products in wheat equivalent.

USDA

ERS Neg. 31-82(7)

year. Ship loading is up 15 percent, reflecting sizable carryover sales from 1981/82 and large early season purchases by China.

Prices Begin Season at 4-Year Low

Given the current outlook for 1982's near-record production and high carryin stocks, farm prices are likely to average below the $3.55-per-bushel loan rate through the harvest. The average mid-June farm price of $3.41 per bushel was about 30 cents below the beginning-season price of the preceding 3 years. Even distant futures contract prices, as far out as March 1983, have seldom reached beyond the $4 level at the three trading centers. So, as disappointing as 1981/82 wheat prices were to producers, expectations of any major improvement during the 1982/83 season will likely hinge upon significant unforeseen events here and abroad, principally weather related.

Thus, producers' early-season marketing strategy revolves around timing sales to catch any upturns. Eligible producers have use of the loan and reserve programs, but the ultimate repayment charge has to be weighed against the open market sale or holding for some seasonal strength. The season average farm price for 1982/83 is projected to range from $3.60 to $3.80 per bushel; last year's average price was $3.65.

1983 Wheat Program Announced

Another effort to strengthen future wheat prices and limit further buildup in supplies was USDA's announcement in mid-July of the major features of the 1983 wheat program—a month ahead of the August 15 deadline. With few exceptions, the 1983 program is a carbon copy of that in 1982. The basic feature is a voluntary 20-percent acreage reduction program, compared with 15 percent for 1982. A new feature will be an advance deficiency payment to participants.

The 1983 target price, set by the 1981 Agriculture and Food Act, will be $4.30 per bushel. The regular and reserve loan rates were unchanged, $3.55 and $4.00 per bushel, respectively. Reserve storage payments will remain 26.5 cents per bushel per year. Rules governing entry into the reserve will be defined later.

The advance deficiency payment provision was designed to aid producers, who often have tight cash flow around planting time, and to increase participation in the program. A farmer will receive an advance payment equal to half the estimated 1983 deficiency payment, that is, half the difference between the $4.30 target price and the estimated average farm price for the first 5 months of the marketing year—June-October 1983. Normally, deficiency payments, if they were required, would be made beginning in December 1983. But winter wheat producers can sign up for the program starting on September 7, 1982, and receive their partial payment. This provision could provide producers with added incentive to participate in the 1983 program. A benefit of the advance payment is the interest saved or earned for the 16 months before normal receipt of payment. Program participation in 1983 could climb to 60 to 70 percent, compared with about 50 percent of the base acreage in the 1982 program. If participation is 60 to 70 percent in 1983, an estimated 6-10 million acres would be out of wheat production.

U.S. Average retail prices for cereals and bakery products, 1982

Cereals and bakery products:	April	May
	Dollars per 1-pound	
Flour, white all purpose	0.22	0.23
Rice, white, long grain, precooked	NA	NA
Rice, white, long grain, uncooked	.50	.51
Spaghetti	NA	NA
Bread, white pan	.53	.53
Bread, French	.89	.89
Bread, whole wheat, pan	.82	.82
Bread, wheat blend, pan	NA	NA
Rolls, hamburger	.84	.85
Cupcakes, chocolate	1.80	1.82
Cookies, chocolate chip	1.79	1.76
Crackers, soda, salted	.87	.88

NA = Not Available.

WORLD WHEAT OUTLOOK FOR 1982/83

1982/83 Global Wheat Production Expected To Decline; Trade To Remain Strong

In early spring, the 1982/83 global wheat season appeared to be moving in the direction of continued record production, utilization, and trade, and expanded ending stocks. However, harvest prospects deteriorated in late spring, particularly in the Soviet Union, Australia, and India.

World wheat output for 1982 is projected at 445 million metric tons, 2 percent below last year's record harvest. Earlier expectations of a better crop in the USSR have been lowered because of adverse weather. The USSR's 1982/83 production may not match last year's 88 million tons, which was considered one of 3 successive poor crops. It is expected that outturns in the United States, Canada, and China will be smaller this year, but these decreases will be nearly offset in other regions, particularly in Western and Eastern Europe and parts of Latin America. Crop estimates from Australia are for reduced output, while Argentina may increase 1982 production.

Expanded wheat utilization in many countries is expected to augment imports, and world trade for 1982/83 (July/June, excluding intra-EC trade) should be up slightly from last season's record 98.7 million tons. However, with world production still likely to about match utilization, global wheat stocks may be unchanged or slightly lower, with a stock drawdown expected in major foreign wheat exporting countries. The stocks-to-use ratio of 19 percent is about the same as in 1981/82 but up from 17 percent in 1980/81.

Outlook for Major U.S. Markets

A mild winter and unusually low winterkill suggested that the 3-year string of poor wheat crops in the *Soviet Union* was coming to an end. However, planting condi-

tions and spring development became erratic in major growing areas, dropping the 1982 wheat production forecast 8 million tons from last year's 88 million tons. The expected lower harvest and the need to rebuild depleted stocks will keep Soviet 1982/83 wheat imports around last year's record 19.5 million tons.

Prolonged dry weather in *China's* principal wheat growing area in the north is expected to reduce total output. This can be important to 1982/83 trade prospects, because last year's Chinese wheat import demand was second only to that of the Soviet Union. Imports may be up 15 to 20 percent or around 2 million tons.

Losses caused by adverse weather during *India's* 1982 wheat harvest may not seriously affect total volume. But, quality will likely be reduced and India may require significant imports for the second successive year.

Outlook for Principal U.S. Competitors

Canada's wheat area continues to expand, and good moisture conditions suggest a large 1982 crop. A cooler-than-normal spring affected sowing and plant development, but the harvest may nearly equal last year's record. Combining this crop with large carryover stocks will impel Canada to continue efforts to maintain exports at record levels.

Early planting estimates for *Australia's* wheat crop are uncertain because of varying weather conditions over the wheat areas. The early production forecast is down to 13 million tons, compared with last year's 16.3 million tons. The final crop size will determine the policy toward aggressive export expansion for 1982/83.

Argentine growers have indicated intentions to expand wheat sowings and use higher yielding varieties. Both developments are likely to substantially increase the 1982 crop.

Total 1982/83 wheat output in the *European Community* is projected at a record 56 million tons. The increase is expected to boost exports to another record, with added sales to North Africa and the Middle East.

WHEAT OUTLOOK BY CLASS

Record HRW Harvest in Progress; Strong Exports Expected To Continue

Generally, the 1982 Hard Red Winter (HRW) crop developed better than normal, although recurring rains on the Plains delayed the harvest of an estimated record 1.28 billion bushels. Combining in Kansas, the largest HRW producer, is usually in the final stage by July 4, but it was only 15 percent completed by that date this year. The impact of the excessive harvest-time moisture on crop quality has not been finally determined, but some areas may show reduced protein and yields, and fungus-related damage.

June 1 HRW stocks of about 537 million bushels indicate that record 1981/82 disappearance, particularly exports, consumed all of 1981's reduced crop and resulted in little change from a year ago in new crop carryin. However, over 70 percent of these stocks are not readily available to the commercial market, being in the grain reserve or owned by CCC. This proportion compares with 60 percent of 1981/82's carryin. With the current prospect of a record 1982 harvest going into bins, 1982/83 HRW supplies will climb to the awesome levels of the early sixties—about 1.8 billion bushels. Low harvest-time prices are expected to result in increased placement into the loan and reserve programs.

U.S. exports will need to garner a large share of any prospective expansion in 1982/83 world trade in order to limit a sizable HRW stock buildup by yearend. This will require that purchases by the USSR and Latin America continue near 1981/82's brisk pace. Although early-season commitments are down 7 percent, total HRW exports are expected to increase about 9 percent from last season's record 755 million bushels.

Smaller 1982 HRS Harvest Probable; Record Supply To Continue

The 1982 Hard Red Spring (HRS) wheat crop was estimated at 425 million bushels in mid-July, down about a tenth from last year's record harvest. This decline primarily reflects producer participation in the acreage reduction program. A cool, wet spring delayed seeding, and crop development was behind normal, yet overall the crop is judged to be in fair to good condition.

Despite the indicated smaller 1982 crop, HRS supplies for 1982/83 will remain at a record level—approaching 800 million bushels—because of the record carryover of old-crop stocks. Even with over 200 million bushels isolated from the market, loan-level farm prices will likely prevail as the harvest develops. If the quality (protein level) of this year's crop is normal, the large supply could make spring wheat a good buy relative to other classes in 1982/83, raising domestic use moderately and helping exports attain another season of over 200 million bushels. However, total disappearance is not expected to top the 1982 crop size, so ending stocks will probably continue to build.

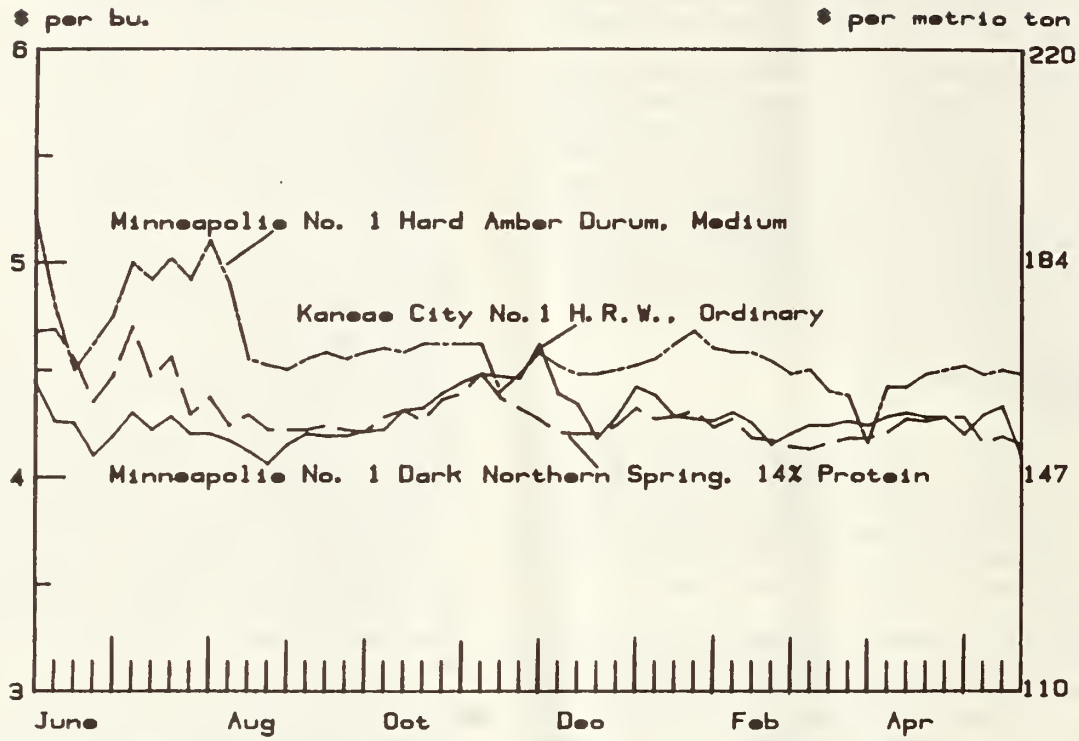
1982 Durum Crop Down; Large Supplies To Continue

Relatively low market prices at planting time, the acreage reduction program, and prospects of a record carryin were ample reason for Durum wheat growers to reduce the area seeded to the 1982 crop. Also, cool, wet conditions delayed progress and resulted in some of the intended crop not being planted. An estimated 4.35 million acres were seeded, 26 percent less than last year and 21 percent less than in 1980. This reverses the trend of the past 2 years, when near-record acreage was planted. All Durum-producing States indicated substantial acreage reductions, with North Dakota, the leading State, down over 1 million acres from 1981. Average yields will be down slightly from banner yields that produced last year's record production. But conditions as of mid-July indicate a 1982 Durum crop of about 125 million bushels, a third below 1981's record. A crop of this size, coupled with the record carryin stocks, means that total Durum supplies for 1982/83 will still be only modestly below the alltime high supply of 1981/82.

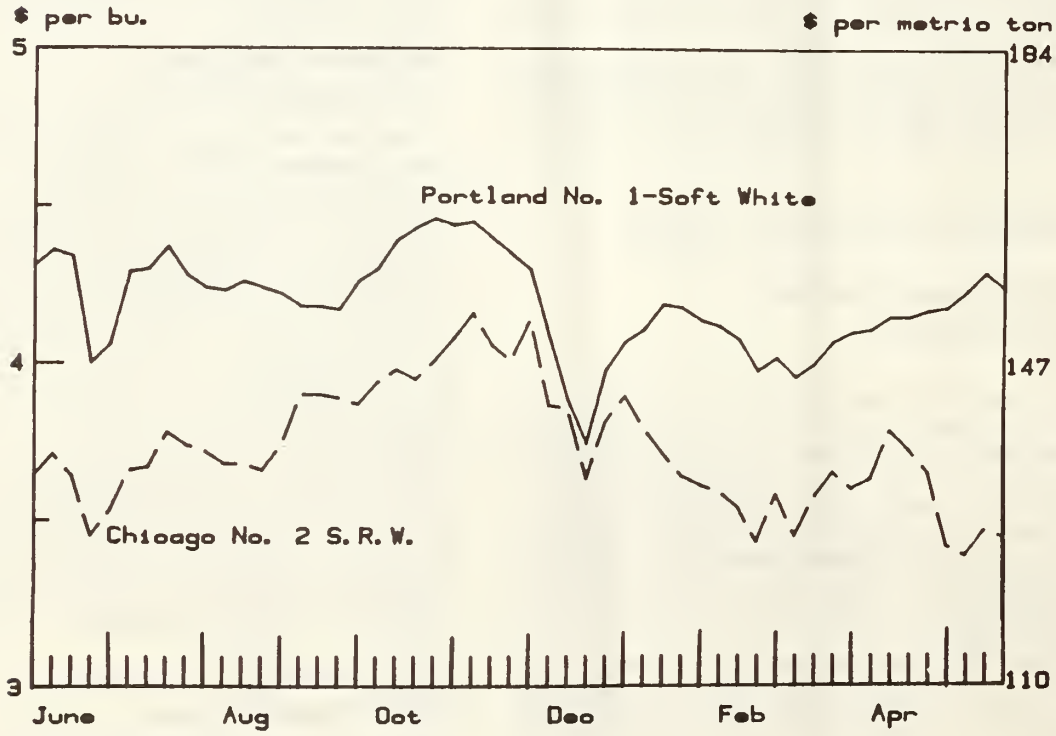
Reduced 1982 SRW Crop Probable, Despite Acreage Increase

Despite the acreage reduction program and the lowest Soft Red Winter (SRW) wheat prices in 3 years, SRW producers expanded plantings of their 1982 crop over one-half million acres from last year. Acreage increases in the wheat/soybean double cropping areas of the Southeast more than offset reduced seeding in major soft

Cash Wheat Prices, 1981/82*



* Thursday price.



* Thursday price.

wheat Central States. Acreage reduction program compliance barely reached 20 percent in many Southern States, with participation just under 25 percent in Northern States.

Winter damage and excessive spring precipitation increased abandonment and caused disease problems that reduced yields in the South. Nevertheless, as of July 1, the 1982 SRW harvest was estimated at 617 million bushels, the second largest in history and only 8 percent below last year's record.

Although record exports and expanded early-season feed use pushed last year's SRW disappearance to an all-time high, yearend stocks were up about 20 million bushels because of the overwhelming size of last year's production. Carryover plus production indicates 1982/83 SRW supplies will likely exceed 670 million bushels, just 34 million under last season's large amount. This suggests that export activity, particularly to the Chinese (the largest buyer of U.S. SRW), will need to remain strong to limit a significant stock buildup by June 1983. So far, Chinese commitments are 25 percent ahead of a year ago. Early indications of only fair to good quality in certain Southern areas may lead to another year of expanded wheat feed utilization, particularly in poultry areas of the South.

Weather Reduces White Wheat Crop Prospects

Seeding for the 1982 White winter wheat crop was down about 7 percent in the Pacific Northwest and 15 percent in the East. High spring temperatures and dry conditions contributed to crop deterioration in Washington and Oregon, with expectations that yields could be down more than 10 percent from a year ago. As a result, the July estimate of White winter wheat production was reduced about 15 million bushels from a month earlier. The total 1982 White wheat (winter and spring) harvest is forecast about one-fourth below 1981's record, which would be the smallest harvest in 3 years.

Despite this reduced crop, the large carryover of over 100 million bushels of old-crop suggests 1982/83 White wheat supplies of around 375 million bushels, sufficient to meet even the above-average demand requirements of the last 2 years (328 million bushels). However, because of heavy entry of 1981-crop into the grain reserve during the latter months of 1981/82, over two-thirds of June 1 stocks were isolated from the commercial market. As the 1982 harvest progresses, continued use of the reserve and loan programs by eligible producers could help stabilize harvest-time White wheat farm prices at the loan level.

Larger 1982 Rye Harvest Underway

The 1982/83 rye season began with the lowest stocks in recent years—3.1 million bushels. Last season's relatively tight supply situation was reflected in market price strength often exceeding wheat prices, not a common occurrence. As a result, producers planted about as much rye as the year before but indicated they intend to harvest more acreage for grain in all major producing States except Georgia. In addition, minimal winter damage and timely spring moisture will result in a record-high yield of 28.7 bushels per acre, up 2 bushels from 1981. The current forecast of an 8-percent increase in 1982 rye production to 20.1 million bushels means 1982/83 supplies will about match those of last season. Projected disappearance may be down slightly because of lower prices of competing grains. This early-season demand outlook and the progress of a bumper harvest have already softened rye prices, suggesting that the average farm price will be close to or below last season's $2.95 a bushel.

WRAP-UP OF 1981/82

The 1981/82 wheat marketing year was dominated by another record crop. Production of 2.79 billion bushels (76 million metric tons) was almost a fifth larger than the record of 1980. This increase was mainly the result of the largest area ever planted to wheat—88.9 million acres—plus a sharp recovery in spring wheat yields from the drought-reduced levels of the year before.

Harvesting of the second successive record crop changed the situation from one of relatively tight free stocks to one of historically high supply. However, a flurry of export business during April and May contributed to the largest disappearance in any single marketing year. Use totaled more than 2.6 billion bushels during 1981/82, 15 percent above the high set a year earlier. Nevertheless, this was not sufficient to prevent a 17-percent buildup of ending stocks.

Exports set a record for the third consecutive year, rising 17 percent or 263 million bushels more than the prior record in 1980/81. Average monthly overseas grain loadings exceeded 150 million bushels during the first 4 months of the marketing year, with nearly 200 million bushels leaving U.S. ports in September 1981. Expanded purchases by China made that nation the largest single-country buyer of U.S. wheat for the second season in a row. Sales to the Soviet Union rebounded after revocation of the 1980 grain embargo. India found a need for sizable purchases from the United States after being absent from U.S. markets for a few years.

Domestic disappearance during 1981/82 was marked by the largest feed use of wheat in 3 years, as below-loan-level prices early in the season often made wheat economical in the feed rations of livestock and poultry feeders. Wheat use for domestic food products also accelerated as purchasers took advantage of record supplies and lower prices early in the season. But then, influenced by the high cost of carrying inventory, apparent food use slowed as the season progressed and led to hand-to-mouth buying practices. Although use for the season is now estimated at over 600 million bushels (grain equivalent), final data may cause use to be revised below last year's 611 million.

Large supplies and the prospective buildup of yearend stocks to over 1.1 billion bushels were the overriding bearish influences on wheat prices for much of the marketing year. Farm prices were the lowest in 3 years, and the season's average was 26 cents a bushel below 1980/81's $3.91. Because the national average farm price during the first 5 months of the season was below the 1981 target price of $3.81, eligible wheat growers received 15-cent-a-bushel deficiency payments which totaled $410 million.

ESTIMATING THE USSR GRAIN CROP

USDA's official estimates of the Soviet grain crop appear in Foreign Agricultural Service circulars entitled "USSR Grain Production" and "World Crop Production," which are usually released about the 10th of each month. The estimates are approved by the World Agricultural Outlook Board, which has the responsibility to coordinate and review all crop and commodity material within the Department. Analyses supporting estimates are prepared by a USDA interagency task force on which the Foreign Agricultural Service, the Economic Research Service, the Agricultural Stabilization and Conservation Service, and the World Board are represented.

The task force considers a variety of information, including:

1. imagery and interpretive data obtained from the LANDSAT and METSAT meteorological satellites;
2. mathematical weather-yield models, relying primarily on temperature, precipitation, soil moisture, area, and yield-trend estimates;
3. reporting cables of the U.S. agricultural counselor assigned to the U.S. Embassy in Moscow;
3. meteorological monitoring provided by the Environmental Technical Applications Center, U.S. Air Force Weather Service, and additional meteorological information and crop condition assessments made by the NOAA-USDA Joint Agricultural Weather Facility; and
5. crop information reported in Soviet national and republic newspapers, articles in various Soviet agricultural journals, press releases, and other sources.

The estimate itself flows from a consensus developed on the day the release is made.

The initial estimate of last year's total grain crop was released on May 11, 1981, and was 210 million tons. The favorable forecast reflected the emergence of winter grains in satisfactory condition and the generally normal or above-normal soil moisture conditions in April.

Then, however, sources recorded a period of hot, dry weather that, by early July, indicated reduced yield prospects. By then, it seemed that sown area would also fall short of expectations, because wet weather interfered with spring field work. USDA dropped its estimate to 200 million tons, primarily because of the adverse weather impact on spring sown grains then in a critical stage of development.

The estimate dropped to 185 million tons in August, supported primarily by Soviet press reports of widespread drought, sukhoveys (hot, dry winds), and yield losses. Attaches traveling in the New Lands, however, saw grain crops of average or near-average yields. In September, the estimate was dropped another 5 million tons, on the basis of continued drought, rapid harvest reports, and an estimated harvested area smaller than any since 1975. The last downward adjustment, to 175 million tons, occurred in October following the unusually rapid harvest pace.

After the crop growing season, USDA monitored a variety of Soviet print sources for information on the grain crop. Usual announcement opportunities passed without mention of the crop size. The plan fulfillment report also avoided mention of crop size, stating instead: "State grain resources fully ensure that the country's population is provided with bread and bread products." Such information confirmed that a very poor crop had been produced, but did not provide the quantitative information that permitted an accurate reassessment of earlier estimates. Secondary sources reported a wide range of possible outcomes, suggesting that few people in the USSR were privy to the actual production figure. (James Cole, 202-447-8380) Reprinted from *USSR: Review of Agriculture in 1981 and Outlook for 1982* USDA Economic Research Service, May 1982.

FARMERS' 900 NEWSLINE

Call the FARMERS'—900—NEWSLINE for the latest U.S. and world crop, livestock, export, and economic news from USDA. A 60-second summary is available to you 7 days a week, 24 hours a day. Your cost is 50 cents per call. The news items and special features are updated at 4 p.m., Washington, D.C. time.

The FARMERS'—900—NEWSLINE keeps you on top of the latest agricultural estimates and analysis from USDA.

900-976-0404

Table 2--Wheat classes: Marketing year supply and disappearance 1/

Year beginning June 1	Supply			Disappearance			Ending stocks May 31
	Beginning stocks	Production	Total 2/	Domestic use	Exports	Total	
				Million bushels			
1979/80:							
Hard Winter	423	1,089	1,512	347	725	1,072	440
Hard Spring	320	363	684	182	217	399	285
Soft Red	27	317	344	150	154	304	40
White	68	259	327	55	196	251	76
Durum	86	106	193	49	83	132	61
All classes	924	2,134	3,060	783	1,375	2,158	902
1980/81:							
Hard Winter	440	1,181	1,621	383	697	1,080	541
Hard Spring	285	312	598	153	188	341	257
Soft Red	40	435	475	138	299	437	38
White	76	338	414	54	267	321	93
Durum	61	108	171	52	59	111	60
All classes	902	2,374	3,279	780	1,510	2,290	989
1981/82: 3/							
Hard Winter	541	1,115	1,656	364	755	1,119	537
Hard Spring	257	468	726	174	206	380	346
Soft Red	38	673	711	191	460	651	60
White	93	351	444	65	270	335	109
Durum	60	186	248	59	82	141	107
All classes	989	2,793	3,785	853	1,773	2,626	1,159
1982/83: 4/							
Hard Winter	537	1,276	1,813	372	820	1,192	621
Hard Spring	346	425	772	170	220	390	382
Soft Red	60	617	677	196	420	616	61
White	109	267	376	63	240	303	73
Durum	107	125	233	49	75	124	109
All classes	1,159	2,710	3,871	850	1,775	2,625	1,246

1/Data, except production, are approximations. Imports and exports include flour and products in wheat equivalent.
2/Total supply includes imports.
3/Estimated.
4/Projected.

Table 3--Wheat: Marketing year supply and disappearance, specified periods 1979-82*

Year and periods	Supply				Ending stocks	
	Beginning stocks	Production	Imports 1/	Total	Gov't owned	Privately owned 2/
	- - -Million bushels- - -					
1979/80						
June-Sept.	924.1	2,134.1	0.7	3,058.9	49.9	2,220.9
Oct.-Dec.	2,270.8	---	0.5	2,271.3	49.6	1,666.6
Jan.-Mar.	1,716.2	---	0.5	1,716.7	63.3	1,161.8
Apr.-May	1,225.1	---	0.4	1,225.5	141.7	760.3
Mkt. year	924.1	2,134.1	2.1	3,060.3	141.7	760.3
1980/81						
June-Sept.	902.0	2,374.3	0.8	3,277.1	202.1	2,270.2
Oct.-Dec.	2,472.3	---	0.6	2,472.9	203.5	1,699.7
Jan.-Mar.	1,903.2	---	0.7	1,903.9	203.2	1,125.4
Apr.-May	1,328.6	---	0.4	1,329.1	199.7	789.1
Mkt. year	902.0	2,374.3	2.5	3,278.8	199.7	789.1
1981/82						
June-Sept.	988.8	2,793.4	0.7	3,782.9	191.3	2,542.6
Oct.-Dec.	2,733.9	---	0.8	2,734.7	188.7	1,987.3
Jan.-Mar.	2,176.0	---	0.8	2,176.8	189.1	1,367.6
Apr.-May	1,556.7	---	0.5	1,557.2	190.3	968.7
Mkt. year	988.8	2,793.4	2.8	3,785.0	190.3	968.7

Year and periods	Disappearance					
	Domestic use					
	Food	Seed	Feed 3/	Total	Exports 1/	Total disappearance
	- - -Million bushels- - -					
1979/80						
June-Sept.	198.5	33.0	45.6	277.1	511.0	788.1
Oct.-Dec.	157.9	37.0	-27.7	167.2	387.9	555.1
Jan.-Mar.	145.1	1.0	62.8	208.9	282.7	491.6
Apr.-May	94.6	30.0	5.3	129.9	193.6	323.5
Mkt. year	596.1	101.0	86.0	783.1	1,375.2	2,158.3
1980/81						
June-Sept.	197.2	38.0	51.2	286.4	518.4	804.8
Oct.-Dec.	167.1	44.0	-12.8	198.3	371.4	569.7
Jan.-Mar.	150.1	1.0	23.7	174.8	400.4	575.2
Apr.-May	96.1	31.0	-6.7	120.4	219.9	340.3
Mkt. year	610.5	114.0	55.4	779.9	1,510.1	2,290.0
1981/82 4/						
June-Sept.	202.5	37.0	187.7	427.2	621.8	1,049.0
Oct.-Dec.	158.6	46.0	-73.4	131.2	427.5	558.7
Jan.-Mar.	151.7	1.0	26.4	179.1	441.0	620.1
Apr.-May	98.0	28.0	-10.2	115.8	282.4	398.2
Mkt. year	610.8	112.0	130.5	853.3	1,772.7	2,626.0

1/ Imports and exports include flour and other products expressed in wheat equivalent.
2/ Includes outstanding and reserve loans. 3/ Residual; approximates feed use and includes negligible quantities used for alcoholic beverages. 4/ Preliminary.

* Totals may not add due to rounding.

Table 4--Wheat, flour and wheat products, United States exports by months, 1979-82*

Year and Month	Wheat	Flour 1/ (Grain equivalent)	Products 2/ (Grain equivalent)	Monthly total	Accumulative total
		1,000 bushels			
1979/80					
June	104,607	4,280	772	109,659	109,659
July	133,283	4,172	1,797	139,252	248,911
August	117,787	6,370	1,492	125,649	374,560
September	129,617	5,336	1,483	136,436	510,996
October	149,040	3,157	1,190	153,387	664,383
November	108,882	2,587	1,484	112,953	777,336
December	114,879	5,351	1,334	121,564	898,900
January	82,683	2,505	1,168	86,356	985,256
February	89,526	3,649	378	93,553	1,078,809
March	94,735	6,970	1,083	102,788	1,181,597
April	98,327	2,389	836	101,552	1,283,149
May	88,579	2,529	918	92,026	1,375,175
Mkt. year	1,311,945	49,295	13,935	1,375,175	
1980/81					
June	96,193	4,230	912	101,335	101,335
July	123,598	2,082	1,222	126,902	228,237
August	141,415	5,057	711	147,183	375,420
September	137,325	3,774	1,849	142,949	518,369
October	116,948	2,785	1,284	121,017	639,386
November	112,199	2,165	1,005	115,369	754,755
December	132,048	1,739	1,230	135,017	889,772
January	129,981	2,658	890	133,529	1,023,301
February	124,397	5,217	1,010	130,624	1,153,925
March	128,770	6,353	1,114	136,238	1,290,163
April	127,652	7,347	672	135,671	1,425,834
May	78,030	4,803	1,406	84,239	1,510,073
Mkt. year	1,448,558	48,209	13,306	1,510,073	
1981/82					
June	124,521	5,794	1,827	132,142	132,142
July	138,168	2,779	1,150	142,097	274,239
August	145,428	3,455	1,009	149,892	424,131
September	194,148	2,496	1,037	197,681	621,812
October	156,993	868	1,171	159,032	780,844
November	127,495	511	1,407	129,413	910,257
December	137,757	935	572	139,264	1,049,520
January	124,163	1,767	1,211	127,141	1,176,661
February	138,719	8,068	1,875	148,662	1,325,323
March	159,078	5,775	351	165,204	1,490,527
April	148,181	8,838	2,246	159,265	1,649,792
May	116,496	5,983	692	123,171	1,772,963
Mkt. year	1,711,147	47,269	14,547	1,772,963	

1/ Includes meal and groats. 2/ Includes macaroni and bulgar.

* Totals may not add due to independent rounding.

Source: Bureau of the Census.

Table 5--Wheat: Price support loan status on specified dates, 1976-81 crops

Crop of	Total loans	Put in reserve	Repaid		Delivered to CCC	Outstanding	
			Loans	Reserve		Loans	Reserve
			Million bushels				
			As of June 1, 1982				
1976	498.8	216.1	234.7	158.3	48.0	--	57.8
1977	590.8	195.0	393.6	140.0	2.2	--	55.0
1978	255.1	24.1	231.0	4.5	--	--	19.6
1979	180.5	40.0	140.5	5.7	--	--	34.3
1980	329.4	206.1	123.0	3.2	--	0.3	202.9
1981	444.5	191.1	140.5	0.3	1.2	111.7	190.8
Total	***	***	***	***	1/190.3	112.0	560.4
			As of October 1, 1981				
1976	498.8	216.1	234.7	157.4	48.0	--	58.7
1977	590.8	195.0	393.6	138.3	2.2	--	56.7
1978	255.1	24.0	231.1	4.2	--	--	19.8
1979	180.5	39.9	140.5	5.5	--	0.1	34.4
1980	329.4	198.3	113.6	2.6	--	17.5	195.7
1981	254.8	66.1	14.5	0.1	--	174.2	66.0
Total	***	***	***	***	1/191.3	191.8	431.3
			As of January 1, 1982				
1976	498.8	216.1	234.7	157.9	48.0	--	58.2
1977	590.8	195.0	393.6	139.4	2.2	--	55.6
1978	255.1	24.1	231.0	4.3	--	--	19.8
1979	180.5	40.0	140.5	5.6	--	--	34.4
1980	329.4	204.0	121.0	2.9	--	4.4	201.1
1981	344.7	102.6	57.4	0.1	--	184.7	102.5
Total	***	***	***	***	1/188.7	189.1	471.6
			As of April 1, 1982				
1976	498.8	216.1	234.7	158.1	48.0	--	58.0
1977	590.8	195.0	393.6	139.8	2.2	--	55.2
1978	255.1	24.1	231.0	4.5	--	--	19.6
1979	180.5	40.0	140.5	5.7	--	--	34.3
1980	329.4	206.0	122.6	3.0	--	0.8	203.0
1981	427.4	164.7	101.4	0.2	--	161.3	164.5
Total	***	***	***	***	1/189.1	162.1	534.6

1/Includes outstanding CCC-owned stocks from loan forfeitures and open market purchases in March, 1980.

Source: Agricultural Stabilization and Conservation Service loan activity reports.

Table 6--White pan bread: Estimated price and marketing spreads of ingredients per 1 pound loaf and per cwt of flour, Jan.-Mar. 1981 and 1982*

Item 1/	Jan-Mar 1981		Jan-Mar 1982	
	Value per loaf	Value per cwt of flour	Value per loaf	Value per cwt of flour
	Cents	Dollars	Cents	Dollars
Retail price (BLS)	53.40	85.86	53.23	85.59
Price spreads				
Wholesale-to-retail 2/	11.63	18.70	9.26	14.89
Baking 3/	31.61	50.83	34.32	55.18
Flour milling	1.09	1.76	1.07	1.72
Other spreads				
Wheat, farm-to-flour mill	.86	1.38	.88	1.41
Other farm ingredients 4/	.96	1.54	.74	1.18
Flour, flour mill-to-baker	.61	.97	.58	.94
Nonfarm ingredients 5/	.89	1.43	1.04	1.68
Total farm-retail price spread	47.65	76.61	47.89	77.00
Farm value of ingredients				
Wheat	4.89	7.86	4.70	7.55
Other farm ingredients	.86	1.38	.65	1.05
Total farm value	5.75	9.25	5.35	8.60
Cost of farm ingredients				
Flour				
F.o.b. bakery	7.45	11.98	7.22	11.62
F.o.b. flour mill	6.85	11.01	6.64	10.68
Wheat 6/				
F.o.b. flour mill	5.75	9.24	5.57	8.96
Farm value	4.89	7.86	4.70	7.55
Other farm ingredients:				
F.o.b. bakery	1.82	2.92	1.39	2.23
Farm value	.86	1.38	.65	1.05

	Dollars per cwt	
Prices of flour and millfeeds		
Flour f.o.b. bakery	11.98	11.62
Flour f.o.b. flour mill	11.01	10.68
Millfeeds, f.o.b. flour mill	5.55	4.16
	Dollars per bushel	
Prices of wheat		
Wheat, f.o.b. flour mill	4.78	4.46
Farm value	4.06	3.75

1/ Price spreads may not add because of independent rounding. 2/ Difference between retail and wholesale price of bread. 3/ Difference between wholesale price and cost of bread ingredients, f.o.b. bakery. 4/ Includes processing, transportation, and merchandising for lard, soybean oil, HFCS, corn syrup, and soy-whey blend. Difference between estimated cost to baker and estimated farm value. 5/ Estimated cost to baker of yeast food, yeast, salt, and other nonfarm ingredients. 6/ Price adjusted for value of millfeeds.

* Spreads are developed by L.D. Schnake (Economist) and Karen Stuart (Data), ERS, USDA, at U.S. Grain Marketing Research Laboratory, Manhattan, Kansas 66502, (913) 539-9141.

Table 7--Wheat and flour: Price relationships at milling centers, annual and by periods, 1977-82

Year and period	At Kansas City					At Minneapolis				
	Cost of wheat to produce 100 lb. of flour 1/	Wholesale price of				Cost of wheat to produce 100 lb. of flour 1/	Wholesale price of			
		Bakery flour per 100 lb. 2/	Byprod-ucts obtained 100 lb. flour 3/	Total products			Bakery flour per 100 lb. 2/	Byprod-ucts obtained 100 lb. flour 3/	Total products	
				Actual	Over cost of wheat				Actual	Over cost of wheat
	Dollars									
1977/78										
June-Sept.	5.61	5.86	1.19	7.05	1.44	5.97	6.70	1.23	7.93	1.96
Oct.-Dec.	6.34	6.46	1.33	7.79	1.45	6.69	7.24	1.23	8.47	1.78
Jan.-Mar.	6.77	6.88	1.37	8.25	1.48	6.82	7.52	1.25	8.77	1.95
Apr.-May	7.54	7.86	1.14	9.00	1.46	7.45	8.52	1.08	9.60	2.15
Mkt. year	6.56	6.76	1.26	8.02	1.46	6.73	7.49	1.20	8.69	1.96
1978/79										
June-Sept.	7.29	7.49	1.27	8.76	1.47	7.27	8.03	1.16	9.19	1.92
Oct.-Dec.	7.83	7.77	1.67	9.44	1.61	7.78	8.15	1.48	9.63	1.85
Jan.-Mar.	7.98	7.84	1.61	9.45	1.47	7.74	8.05	1.44	9.49	1.75
Apr.-May	8.31	8.46	1.35	9.81	1.50	8.26	8.65	1.29	9.94	1.68
Mkt. year	7.85	7.89	1.47	9.36	1.51	7.76	8.22	1.34	9.56	1.80
1979/80										
June-Sept.	9.87	9.91	1.70	11.61	1.74	9.88	10.22	1.61	11.83	1.95
Oct.-Dec.	10.50	10.39	1.85	12.24	1.74	9.99	10.57	1.63	12.20	2.21
Jan.-Mar.	9.79	10.02	1.77	11.79	2.00	9.46	10.20	1.45	11.65	2.19
Apr.-May	9.24	9.75	1.50	11.25	2.01	9.61	10.04	1.36	11.40	1.79
Mkt. year	9.85	10.02	1.70	11.72	1.87	9.73	10.26	1.51	11.77	2.04
1980/81										
June-Sept.	9.81	10.11	1.81	11.92	2.11	10.46	10.83	1.63	12.46	2.00
Oct.-Dec.	10.80	10.54	2.38	12.92	2.12	11.29	11.04	2.05	13.09	1.80
Jan.-Mar.	10.31	10.44	1.95	12.39	2.08	10.98	11.05	1.67	12.72	1.74
Apr.-May	10.27	10.42	1.81	12.23	1.96	11.08	11.09	1.76	12.85	1.77
Mkt. year	10.30	10.38	1.99	12.37	2.07	10.95	11.00	1.78	12.78	1.83
1981/82 4/										
June-Sept.	9.69	10.33	1.55	11.88	2.19	10.08	10.82	1.49	12.31	2.23
Oct.-Dec.	9.93	10.13	1.79	11.92	1.99	9.84	10.52	1.43	11.95	2.11
Jan.-Mar.	9.85	10.66	1.41	12.07	2.22	9.63	10.82	1.23	12.05	2.42
Apr.-May	9.76	10.38	1.52	11.90	2.14	9.64	10.54	1.48	12.02	2.38
Mkt. year	9.81	10.37	1.57	11.94	2.13	9.80	10.67	1.41	12.08	2.28

1/Based on 73 percent extraction rate, cost of 2.28 bushels: At Kansas City, No. 1 Hd. Winter, 13 percent protein, and at Minneapolis, simple average of No. 1 Dark Northern Spring, 13 and 15 percent protein. 2/Quoted as 95 percent patent at Kansas City and standard patent at Minneapolis, bulk basis. 3/Assumed 50-50 millfeed distribution between bran and shorts or middlings, bulk basis. 4/Preliminary.

Source: Compiled from reports of Agricultural Marketing Service and Department of Labor.

Table 8--Wheat: Export prices by months, at selected ports, 1978-82

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average
						Dollars per metric ton							
						Gulf: No. 1 Hard Red Winter, Ordinary protein							
1978/79	126	127	128	131	137	138	136	138	140	140	140	143	135
1979/80	168	175	169	174	178	178	180	176	173	164	156	161	171
1980/81	158	169	171	180	188	195	182	187	182	175	180	172	178
1981/82	169	168	170	171	169	179	175	173	171	169	170	168	171
						Gulf: No. 1 Soft Red Winter							
1978/79	123	124	126	130	136	141	137	140	144	144	144	141	136
1979/80	164	169	163	165	163	164	172	170	168	162	153	154	164
1980/81	146	163	165	176	187	193	180	187	176	168	172	143	171
1981/82	133	136	140	147	150	157	151	148	142	144	149	128	144
						Portland: No. 2 Western White							
1978/79	136	141	139	141	140	141	139	139	137	138	138	148	140
1979/80	171	178	167	163	160	157	155	157	162	157	155	148	161
1980/81	147	158	157	162	172	180	170	174	173	166	166	165	166
1981/82	159	159	161	161	165	166	152	155	152	152	155	157	158
						Duluth: No. 2 Northern Spring, 14% protein							
1978/79	119	116	117	121	127	129	120	122	123	126	127	138	124
1979/80	163	166	1/	1/	167	158	1/	1/	1/	1/	146	158	159
1980/81	158	174	168	170	177	180	1/	1/	1/	1/	176	175	172
1981/82	170	164	159	156	158	161	1/	1/	1/	1/	164	154	161

1/No price quotes available.

Source: Grain Market News, Agricultural Marketing Service.

Table 9--Wheat: Rotterdam, c.i.f., quotations by months, 1978-82 1/

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average
						Dollars per metric ton							
						United States No. 2 Hard Winter, 13.5%							
1978/79	150	146	147	148	156	161	157	155	160	165	157	166	156
1979/80	193	204	200	205	209	212	212	200	200	197	NQ	NQ	203
1980/81	198	203	209	214	224	233	235	233	225	212	211	206	217
1981/82	203	204	201	200	200	212	206	200	199	198	206	204	203
						United States Dark Northern Spring, 14%							
1978/79	142	138	140	144	153	159	150	164	170	164	154	166	154
1979/80	192	202	194	199	205	204	205	206	205	196	188	199	200
1980/81	197	212	212	212	216	226	235	245	240	209	210	207	218
1981/82	197	194	189	190	193	196	190	191	185	186	190	185	190

1/Hamburg Mercantile Exchange prices for Rotterdam.

Source: World Grain Situation, Foreign Agricultural Service.

Table 10--Wheat: Farm price for leading classes and major feed grain in region, 1978-82 1/

Commodity and year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average	Loan rate
							All prices for 60 pounds							
							Central and So. Plains (Hard Winter) 2/							
Wheat:														
1978/79	2.72	2.71	2.74	2.82	2.96	2.98	2.97	2.93	2.96	2.97	3.00	3.12	2.91	2.28
1979/80	3.63	3.81	3.72	3.82	3.86	3.93	3.89	3.81	3.73	3.51	3.36	3.48	3.71	2.43
1980/81	3.49	3.63	3.75	3.86	4.10	4.19	4.01	4.08	3.99	3.83	3.88	3.75	3.88	2.94
1981/82	3.70	3.65	3.62	3.70	3.73	3.87	3.80	3.77	3.71	3.72	3.71	3.63	3.72	3.13
Sorghum:														
1978/79	2.15	2.05	1.97	1.96	2.06	2.11	2.12	2.11	2.11	2.12	2.15	2.17	2.09	2.00
1979/80	2.55	2.68	2.51	2.48	2.45	2.45	2.41	2.43	2.44	2.47	2.40	2.45	2.48	2.12
1980/81	2.58	2.94	3.06	3.18	3.31	3.33	3.34	3.33	3.28	3.14	3.18	3.12	3.15	2.27
1981/82	3.03	2.96	2.65	2.37	2.34	2.36	2.39	2.44	2.42	2.43	2.47	2.61	2.54	2.42
							Cornbelt (Soft Red Winter) 3/							
Wheat:														
1978/79	2.88	2.90	3.02	3.08	3.23	3.34	3.37	3.37	3.50	3.38	3.44	3.58	3.26	2.34
1979/80	3.85	4.01	3.86	3.93	4.00	3.87	3.99	4.03	4.11	3.82	3.59	3.62	3.89	2.48
1980/81	3.58	3.82	4.02	4.19	4.41	4.59	4.50	4.50	4.28	4.03	4.00	3.59	4.13	3.00
1981/82	3.24	3.47	3.39	3.49	3.59	3.74	3.69	3.69	3.38	3.34	3.40	3.26	3.47	3.20
Corn:														
1978/79	2.52	2.39	2.18	2.13	2.12	2.19	2.27	2.31	2.39	2.44	2.51	2.61	2.34	2.18
1979/80	2.78	3.02	2.88	2.81	2.59	2.48	2.71	2.66	2.65	2.63	2.60	2.68	2.71	2.31
1980/81	2.76	3.06	3.28	3.36	3.28	3.46	3.53	3.54	3.58	3.58	3.57	3.56	3.38	2.46
1981/82	3.47	3.44	3.11	2.76	2.64	2.52	2.54	2.74	2.63	2.66	2.77	2.86	2.85	2.62
							Northern Plains (Spring and Durum) 4/							
Wheat:														
1978/79	2.79	2.69	2.71	2.78	2.87	2.93	2.86	2.75	2.83	2.84	2.89	3.14	2.84	2.36
1979/80	3.49	3.69	3.62	3.67	3.83	3.75	3.61	3.54	3.60	3.57	3.66	3.80	3.65	2.51
1980/81	3.89	4.07	3.97	4.02	4.24	4.39	4.28	4.33	4.30	4.21	4.29	4.31	4.19	3.02
1981/82	4.15	3.95	3.69	3.66	3.67	3.74	3.66	3.65	3.63	3.63	3.68	3.67	3.73	3.21
Barley:														
1978/79	2.25	2.00	2.02	2.14	2.22	2.36	2.33	2.27	2.26	2.34	2.46	2.55	2.27	1.92
1979/80	2.65	2.72	2.50	2.65	2.72	2.77	2.68	2.68	2.52	2.60	2.51	2.60	2.64	2.02
1980/81	2.82	2.69	3.14	3.32	3.44	3.69	3.62	3.62	3.72	3.72	3.73	3.69	3.43	2.16
1981/82	3.38	2.72	2.71	2.98	2.81	2.89	2.85	2.86	2.89	2.82	2.82	2.83	2.88	2.28
							Pacific Northwest (White) 5/							
Wheat:														
1978/79	3.23	3.29	3.35	3.36	3.30	3.30	3.34	3.30	3.21	3.22	3.30	3.42	3.30	2.41
1979/80	3.98	3.93	4.12	4.03	3.91	3.89	3.73	3.68	3.80	3.71	3.66	3.56	3.83	2.57
1980/81	3.53	3.71	3.67	3.80	4.03	4.12	4.08	4.05	4.06	4.11	4.02	4.08	3.94	3.08
1981/82	3.99	3.82	3.80	3.81	3.91	3.95	3.86	3.92	3.80	3.75	3.77	3.75	3.84	3.29
Barley:														
1978/79	2.69	2.59	2.54	2.35	2.25	2.32	2.31	2.39	2.36	2.44	2.49	2.58	2.44	2.15
1979/80	2.69	3.08	3.00	3.09	3.07	3.34	3.10	3.10	3.10	3.18	3.21	3.12	3.09	2.26
1980/81	3.16	3.34	3.32	3.35	3.70	3.80	3.99	4.07	4.15	4.07	3.95	3.99	3.74	2.40
1981/82	3.72	3.39	3.19	3.10	3.08	3.34	3.20	3.24	3.21	3.39	3.41	3.45	3.31	2.55
							U.S. Average							
Wheat:														
1978/79	2.81	2.81	2.88	2.92	2.99	3.04	3.01	2.99	2.99	2.97	3.01	3.20	6/2.97	2.35
1979/80	3.72	3.89	3.74	3.87	3.98	3.94	3.81	3.74	3.78	3.64	3.58	3.69	6/3.78	2.50
1980/81	3.69	3.81	3.94	3.99	4.19	4.32	4.22	4.21	4.17	4.09	4.07	3.95	6/3.91	3.00
1981/82	3.70	3.62	3.62	3.65	3.77	3.85	3.80	3.78	3.70	3.67	3.68	3.64	6/3.65	3.20

1/To adjust price to relative feed value multiply: Corn 1.00; Wheat 1.05; Barley .90; Sorghum .95; reported in Consumption of Feed by Livestock, Report No. 79, ERS, USDA. 2/Kansas, Nebraska, Texas, Oklahoma, and Colorado. 3/Ohio, Indiana, Illinois, and Missouri. 4/North Dakota, South Dakota, and Minnesota. 5/Washington, Oregon, and Idaho. 6/Season average price includes allowance for unredeemed loans and purchases.

Table 11--Wheat: Cash prices for leading classes at major markets, 1978-82

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average
						Dollars per bushel							
						Kansas City, No. 1 Hard Red Winter (ordinary protein)							
1978/79	3.12	3.14	3.14	3.24	3.42	3.48	3.39	3.42	3.50	3.52	3.53	3.64	3.38
1979/80	4.17	4.34	4.12	4.26	4.39	4.53	4.51	4.33	4.32	4.07	3.90	4.10	4.25
1980/81	4.07	4.21	4.31	4.45	4.70	4.89	4.54	4.60	4.47	4.35	4.48	4.36	4.45
1981/82	4.24	4.25	4.14	4.19	4.31	4.46	4.35	4.33	4.26	4.25	4.28	4.22	4.27
						13% protein							
1978/79	3.20	3.17	3.15	3.26	3.42	3.48	3.40	3.43	3.52	3.55	3.58	3.71	3.41
1979/80	4.22	4.42	4.28	4.39	4.55	4.67	4.60	4.40	4.35	4.14	3.96	4.14	4.34
1980/81	4.12	4.25	4.34	4.49	4.70	4.91	4.60	4.67	4.50	4.40	4.57	4.44	4.50
1981/82	4.36	4.26	4.16	4.22	4.29	4.44	4.33	4.35	4.32	4.29	4.32	4.24	4.30
						Chicago, No. 2 Soft Red Winter							
1978/79	3.18	3.22	3.32	3.42	3.51	3.68	3.68	3.73	3.88	3.79	3.60	3.86	3.57
1979/80	4.36	4.39	4.23	4.28	4.30	4.13	4.26	4.36	4.39	4.18	3.96	4.04	4.24
1980/81	3.96	4.17	4.21	4.38	4.70	4.92	4.54	4.57	4.34	4.15	4.18	3.80	4.33
1981/82	3.60	3.70	3.70	3.87	3.97	4.08	3.86	3.77	3.57	3.59	3.70	3.43	3.74
						St. Louis, No. 2 Soft Red Winter							
1978/79	3.05	3.16	3.21	3.23	3.41	3.57	3.50	3.57	3.66	3.51	3.62	3.68	3.43
1979/80	4.08	4.18	4.04	4.08	4.02	4.10	4.28	4.26	4.32	4.11	3.80	3.93	4.10
1980/81	3.73	4.10	4.19	4.42	4.78	4.96	4.78	4.80	4.57	4.32	4.36	3.67	4.39
1981/82	3.41	3.54	3.56	3.67	3.74	4.05	3.90	3.76	3.60	3.61	3.72	3.31	3.66
						Toledo, No. 2 Soft Red Winter							
1978/79	3.09	3.13	3.21	3.32	3.46	3.73	3.72	3.73	3.69	3.66	3.56	3.71	3.50
1979/80	4.17	4.37	4.22	4.28	4.29	4.21	4.28	4.21	4.32	4.08	3.80	3.90	4.18
1980/81	3.84	4.14	4.16	4.38	4.82	5.02	4.65	4.70	4.47	4.16	4.16	3.76	4.36
1981/82	3.55	3.63	3.71	3.83	3.98	4.08	3.85	3.71	3.47	3.46	3.63	3.45	3.70
						Toledo, No. 2 Soft White							
1978/79	3.10	3.26	3.45	3.63	3.69	3.87	3.78	3.72	3.63	3.44	3.35	3.53	3.54
1979/80	4.08	4.31	4.15	4.17	4.12	4.20	4.18	4.10	4.14	3.90	3.63	3.74	4.06
1980/81	3.71	4.05	4.15	4.31	--	--	4.44	4.49	4.21	3.87	3.87	3.62	4.07
1981/82	3.43	3.62	3.77	3.91	3.99	4.10	3.82	3.68	3.49	3.47	3.61	3.45	3.70
						Portland, No. 1 Soft White							
1978/79	3.60	3.74	3.72	3.77	3.76	3.76	3.71	3.70	3.65	3.70	3.70	3.91	3.73
1979/80	4.46	4.67	4.45	4.31	4.13	4.16	4.10	4.10	4.26	4.13	4.02	3.91	4.22
1980/81	3.92	4.15	4.06	4.23	4.48	4.68	4.40	4.52	4.52	4.41	4.51	4.41	4.36
1981/82	4.26	4.27	4.25	4.21	4.38	4.42	4.00	4.12	4.09	4.02	4.14	4.24	4.20
						Minneapolis, No. 1 Dark No. Spring (ordinary protein)							
1978/79	3.06	2.95	2.96	3.07	3.21	3.32	3.15	3.12	3.12	3.18	3.29	3.62	3.17
1979/80	4.23	4.31	4.10	4.18	4.31	4.27	4.18	4.06	4.13	4.04	3.94	4.21	4.16
1980/81	4.19	4.54	4.22	4.17	4.62	4.78	4.62	4.65	4.53	4.32	4.41	4.44	4.46
1981/82	4.29	4.18	4.03	4.07	4.22	4.29	4.15	4.21	4.17	4.10	4.21	4.16	4.17
						14% protein							
1978/79	3.21	3.11	3.13	3.26	3.41	3.47	3.32	3.30	3.36	3.42	3.45	3.73	3.35
1979/80	4.32	4.42	4.19	4.29	4.45	4.29	4.17	4.07	4.08	4.02	3.96	4.31	4.21
1980/81	4.33	4.69	4.55	4.56	4.82	4.95	4.77	4.81	4.78	4.67	4.80	4.77	4.71
1981/82	4.56	4.50	4.25	4.23	4.29	4.38	4.22	4.28	4.21	4.16	4.25	4.20	4.29
						Hard Amber Durum, No. 1 (medium)							
1978/79	3.72	3.56	3.55	3.52	3.69	3.70	3.53	3.60	3.64	3.72	3.71	3.98	3.66
1979/80	4.75	4.99	4.88	5.27	5.80	5.38	4.99	4.93	5.05	4.98	4.89	5.21	5.09
1980/81	5.79	7.12	7.19	7.26	7.34	7.22	6.90	7.07	7.02	6.66	6.10	6.04	6.81
1981/82	4.86	4.91	4.75	4.56	4.60	4.58	4.51	4.59	4.57	4.45	4.45	4.49	4.61

Source: Grain Market News, Agricultural Marketing Service.

Table 12--Wheat and Wheat Flour: World trade, production, stocks, and utilization, July-June 1979-82

Country or region	1979/80	1980/81	1981/82	1982/83 as of July 15
		Million metric tons		
Exports:				
Canada	15.0	17.0	17.5	18.0
Australia	14.9	10.6	11.0	11.0
Argentina	4.8	3.9	4.3	5.0
Sub-total	34.7	31.5	32.8	34.0
EC-10	10.4	14.0	13.5	14.5
USSR	0.5	0.5	0.8	0.5
All others	3.2	5.7	3.2	3.9
Total non-U.S.	48.8	51.6	50.3	52.9
USA 1/	37.2	41.9	48.4	48.5
World total	86.0	93.6	98.7	101.4
Imports:				
EC-10	5.3	4.4	4.5	4.5
USSR	12.1	16.0	19.5	19.0
Japan	5.6	5.8	5.7	5.5
E. Europe	6.1	6.1	5.7	5.2
China (Mainland)	8.9	13.8	12.7	15.0
All others	48.1	47.5	50.6	52.3
World total	86.0	93.6	98.7	101.4
Production: 2/				
Canada	17.2	19.2	24.5	24.0
Australia	16.2	10.9	16.3	13.0
Argentina	8.1	7.8	7.8	9.5
EC-10	48.8	55.1	54.3	56.1
USSR 3/	90.2	98.2	88.0	80.0
E. Europe	27.6	34.5	30.5	33.3
China (Mainland)	62.7	54.2	58.5	56.5
India	35.5	31.8	36.5	36.5
All other foreign	58.3	63.2	61.0	62.4
USA	58.1	64.6	76.0	73.8
World total	422.8	439.3	453.4	445.0
Utilization: 4/				
USA	21.3	21.2	23.2	23.1
USSR 3/	114.8	116.7	106.7	98.0
China (Mainland)	71.6	67.9	71.2	71.5
All other foreign	235.8	238.4	243.1	252.8
World total	443.5	444.3	444.2	445.5
Stocks, ending: 5/	80.3	75.4	84.6	84.1

1/Includes transhipments through Canadian ports; excludes products other than flour. 2/Production data include all harvests occurring within the July-June year shown, except that small grain crops from the early harvesting Northern Hemisphere areas are "moved forward;" i.e., the May 1979 harvests in areas such as India, North Africa, and Southern United States are actually included in "1979/80" accounting period which begins July 1, 1979. 3/"Bunker weight" basis: not discounted for excess moisture and foreign material. 4/Utilization data are based on an aggregate of differing local marketing years. For countries which stocks data are not available (excluding the USSR) utilization estimates represent "apparent" utilization, i.e., they are inclusive of annual stock level adjustments. 5/Stocks data are based on an aggregate of differing local marketing years and should not be construed as representing world stock levels at a fixed point in time. Stocks data are not available for all countries and exclude those such as China and part of Eastern Europe; the world stock levels have been adjusted for estimated year-to-year changes in USSR grain stocks, but do not purport to include the entire absolute level of USSR stocks.

Source: Foreign Agricultural Service. World Grain Situation.

Table 13--Rye: Supply, disappearance, area, and prices, marketing years 1978-82*

Item	1978/79	1979/80	1980/81	1981/82 (prel.)	1982/83 (proj.)
			Million bushels		
Supply					
Beginning stocks, June 1	4.0	9.0	12.2	4.1	3.1
Production	24.1	22.4	16.5	18.6	20.1
Imports	0.1	1/	1/	0.4	--
Total	28.2	31.4	28.7	23.2	23.2
Domestic disappearance					
Food	3.7	3.5	3.5	3.5	3.5
Industry	2.4	2.1	2.1	2.2	2.1
Seed	4.6	4.0	4.2	4.2	4.2
Feed 2/	8.1	7.1	7.3	8.7	7.5
Total	18.8	16.7	17.1	18.6	17.3
Exports	0.4	2.4	7.5	1.5	1.5
Total disappearance	19.2	19.2	24.6	20.1	18.8
Ending stocks, May 31	9.0	12.2	4.1	3.1	4.4
			Million acres		
Area					
Planted	2.9	2.9	2.5	2.6	2.6
Harvested	0.9	0.9	0.7	0.7	0.7
			Bushels per acre		
Yield per harvested acre	26.0	25.8	24.4	26.7	28.7
			Dollars per bushel		
Prices					
Received by farmers	1.99	2.06	2.64	2.95	
Minneapolis No. 2	2.44	2.47	3.35	3.78	
Loan rate	1.70	1.79	1.91	2.04	

1/ Less than 50,000 bushels.

2/ Residual, approximates total feed use.

* Totals may not add due to rounding.

Table 14--Rye: Marketing year supply and disappearance, specified periods, 1979-82

Year and periods	Supply				
	Beginning stocks	Production	Imports	Total supply	Ending stocks
	- - -1,000 bushels- - -				
1979/80					
June-Sept.	8,973	22,389	6	31,368	24,798
Oct.-Dec.	24,798	---	---	24,798	17,727
Jan.-Mar.	17,727	---	1	17,728	15,011
Apr.-May	15,011	---	---	15,011	12,192
Mkt. year	8,973	22,389	7	31,369	12,192
1980/81					
June-Sept.	12,192	16,483	5	28,680	18,510
Oct.-Dec.	18,510	---	1	18,511	9,346
Jan.-Mar.	9,346	---	4	9,350	6,868
Apr.-May	6,868	---	1/	6,868	4,145
Mkt. year	12,192	16,483	10	28,685	4,145
1981/82 2/					
June-Sept.	4,145	18,621	33	22,799	14,452
Oct.-Dec.	14,452	---	6	14,458	7,834
Jan.-Mar.	7,834	---	72	7,906	5,714
Apr.-May	5,714	---	321	6,035	3,062
Mkt. year	4,145	18,621	432	23,198	3,062

Year and periods	Disappearance						
	Domestic use					Exports	Total disappearance
	Food	Seed	Industry	Feed 3/	Total		
	- - -1,000 bushels- - -						
1979/80							
June-Sept.	1,201	2,017	565	2,230	6,013	557	6,570
Oct.-Dec.	883	1,815	453	2,344	5,495	1,576	7,071
Jan.-Mar.	908	202	596	982	2,688	29	2,717
Apr.-May	531	---	502	1,526	2,559	260	2,819
Mkt. year	3,523	4,034	2,116	7,082	16,755	2,422	19,177
1980/81							
June-Sept.	1,150	2,075	370	3,364	6,959	3,211	10,170
Oct.-Dec.	960	1,868	486	2,726	6,040	3,125	9,165
Jan.-Mar.	821	207	707	30	1,765	717	2,482
Apr.-May	584	---	487	1,211	2,282	441	2,723
Mkt. year	3,515	4,150	2,050	7,331	17,046	7,494	24,540
1981/82 2/							
June-Sept.	1,170	2,080	419	4,630	8,299	48	8,347
Oct.-Dec.	881	1,872	624	1,888	5,265	1,359	6,624
Jan.-Mar.	885	208	700	289	2,082	110	2,192
Apr.-May	523	---	500	1,938	2,961	12	2,973
Mkt. year	3,459	4,160	2,243	8,745	18,607	1,529	20,136

1/ Less than 500 bushels. 2/ Preliminary. 3/ Residual; approximates total feed use.

INDEX OF TABLES

	Page	Table
WHEAT.		
U.S. Supply and Distribution		
Marketing year, 1979-82	2	1
By class, 1979-82	11	2
By specified periods, 1979-82	12	3
World trade, production, stocks, and utilization, annual 1979-82	20	12
Price support loan status on specified dates	14	5
Exports Including Flour		
United States exports by months, 1979-82	13	4
Prices		
White pan bread, price and marketing spreads, by quarters 1981-1982	15	6
Wheat and flour price relationships, annual and by periods, 1977-82	16	7
Farm price for leading classes and major feed grain in region, 1978-82	18	10
Cash prices for leading classes at major markets, 1978-82	19	11
Export prices by months, at selected ports, 1978-82	17	8
Wheat: Rotterdam, c.i.f. quotations, by months, 1978-82	17	9
RYE		
U.S. Supply and Distribution		
Marketing year, 1978-82	21	13
By specified periods, 1979-82	22	14

☆U.S. GOVERNMENT PRINTING OFFICE: 1982-360-930:ERS-1201

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

To stop mailing ☐ or to change your address ☐ send this sheet with label intact, showing new address, to EMS Information, Rm. 440-GHI, USDA, Washington, D.C. 20250.

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
AGR 101

FIRST CLASS

153 1E
National Agriculture Library
SEA USDA
Current Serial Records Rm 002
STOP 209

AGRICULTURAL OUTLOOK

Published by the
United States Department of Agriculture

Each month, the *Agricultural Outlook* pools USDA's latest analyses of the agricultural economy in one comprehensive package. Its regular coverage includes:

- Commodity supply & demand
- Farm income
- World agriculture & trade
- Food prices
- Food marketing
- Transportation & storage
- Inputs
- General economic trends

Plus in-depth special articles on topics vital to modern U.S. agriculture.

For a complimentary copy, write or call:

Leland Scott, Managing Editor
EMS Information (FL)
500 12th St. SW, Room 451
Washington, D.C. 20250
(202) 382-9755